



March 17, 2015

ENGROSSED SENATE BILL No. 315

DIGEST OF SB 315 (Updated March 17, 2015 9:50 am - DI 116)

Citations Affected: IC 20-23.

Synopsis: School property. Provides that a consolidated school corporation shall offer to transfer property to the township from which the consolidated school corporation received the property if the property is no longer needed by the school corporation. Allows the township to sell or lease the property to an Indiana nonprofit corporation that is exempt from federal taxation.

Effective: July 1, 2015.

Smith J, Head

(HOUSE SPONSOR — CHERRY)

January 8, 2015, read first time and referred to Committee on Local Government.
February 5, 2015, reported favorably — Do Pass.
February 9, 2015, read second time, amended, ordered engrossed.
February 10, 2015, engrossed. Read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

March 2, 2015, read first time and referred to Committee on Education.
March 17, 2015, amended, reported — Do Pass.

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March 17, 2015

First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

ENGROSSED SENATE BILL No. 315

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 20-23-6-9, AS AMENDED BY P.L.113-2006,
2 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2015]: Sec. 9. (a) When any:
4 (1) school town;
5 (2) school city;
6 (3) school township;
7 (4) joint school; or
8 (5) consolidated school;
9 has become consolidated by resolution or election and the new
10 governing body has been appointed and legally organized, the former
11 school township, school town, school city, joint school, or consolidated
12 school is considered abandoned.
13 (b) All school:
14 (1) property;
15 (2) rights;
16 (3) privileges; and

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(4) any indebtedness;
from the abandoned school is considered to accrue to and be assumed
by the new consolidated school corporation.

(c) The title of property shall pass to and become vested in the new
consolidated school corporation. All debts of the former school
corporations shall be assumed and paid by the new consolidated school
corporation. All the privileges and rights conferred by law upon the
former:

- (1) school town;
- (2) school city;
- (3) school township;
- (4) joint school; or
- (5) consolidated school;

are granted to the newly consolidated school corporation.

(d) This subsection applies when the consolidated governing body
of a consolidated school corporation decides that property acquired
under subsection (b) from a township is no longer needed for school
purposes. The governing body shall offer the property as a gift ~~for park~~
~~and recreation purposes~~ to the township that owned the property before
the school was consolidated. **The township may sell or lease the**
property to an Indiana nonprofit corporation that is exempt from
federal income taxation under Section 501 of the Internal Revenue
Code. If the township board accepts the offer, the governing body shall
give the township a quitclaim deed to the property. ~~The deed must state~~
~~that the township is required to use the property for park and recreation~~
~~purposes.~~ If the township board refuses the offer, the governing body
may sell the property in the manner provided in subsection (e).

(e) This subsection provides the procedure for the sale of school
property that is no longer needed for school purposes by the governing
body of a consolidated school corporation. The governing body shall
cause the property to be appraised at a fair cash value by:

- (1) one (1) disinterested resident freeholder of the school
corporation offering the property for sale; and
- (2) two (2) disinterested appraisers licensed under IC 25-34.1;

who are residents of Indiana. One (1) of the appraisers described under
subdivision (2) must reside not more than fifty (50) miles from the
property. The appraisals shall be made under oath and spread of record
upon the records of the governing body. A sale may not be made for
less than the appraised value, and the sale must be made for cash. The
sale shall take place after the governing body gives notice under
IC 5-3-1 of the terms, date, time, and place of sale.

(f) Proceeds from a sale under subsection (e) shall be placed in a



- 1 capital projects fund of the consolidated school corporation or other
- 2 fund designated as the fund that is available for capital outlay of the
- 3 school corporation.



COMMITTEE REPORT

Madam President: The Senate Committee on Local Government, to which was referred Senate Bill No. 315, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 315 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 8, Nays 0

SENATE MOTION

Madam President: I move that Senate Bill 315 be amended to read as follows:

Page 2, line 20, delete "." and insert "**for:**

(1) park and recreation purposes; or

(2) operating a community services facility that provides counseling, emergency assistance, medical care, housing, or temporary residential facilities for individuals who fear family or domestic violence.

The township may sell or lease the property to an Indiana nonprofit corporation that is exempt from federal income taxation under Section 501 of the Internal Revenue Code, for any of the purposes described in this subsection."

Page 2, line 22, reset in roman "The deed must state that the township is required to use the".

Page 2, line 23, reset in roman "property for park and recreation".

Page 2, line 23, delete "purposes." and insert "**purposes or for providing community services."**

(Reference is to SB 315 as printed February 6, 2015.)

SMITH J



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 315, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 20, delete "for:" and insert ". **The township may sell or lease the property to an Indiana nonprofit corporation that is exempt from federal income taxation under Section 501 of the Internal Revenue Code.**".

Page 2, delete lines 21 through 28.

Page 2, line 29, delete "purposes described in this subsection.".

Page 2, line 31, strike "The deed must state that the township is required to use".

Page 2, line 32, strike "the property for park and recreation purposes".

Page 2, line 32, delete "or for providing" and insert ".".

Page 2, line 33, delete "community services.".

and when so amended that said bill do pass.

(Reference is to SB 315 as reprinted February 10, 2015.)

BEHNING

Committee Vote: yeas 11, nays 0.

